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South Africa, Republic of

Citrus

Annual

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Report Highlights:

South Africa's 2005 citrus production is expected to increase slightly (0.7%) from last year because of enough rain and normal temperatures in most citrus fruit growing areas. Old Clementine orchards are increasingly removed and replaced, reducing the potential production for easy-peelers this year. Lemon and lime production is expected to remain relatively unchanged at about 0.18 million MT, Oranges at 1.13 million MT, while grapefruit is expected at 0.25 million MT, a 6% decrease from 2004 because of a drought in several production regions.

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Executive Summary

South Africa's 2005 citrus production is expected to increase slightly (0.7%) from last year because of enough rain and normal temperatures in most citrus fruit growing areas. Old Clementine orchards are increasingly removed and replaced, reducing the potential production for easy-peelers this year. Lemon and lime production is expected to remain relatively unchanged at about 0.18 million MT, Oranges at 1.13 million MT, while grapefruit is expected at 0.25 million MT, a 6% decrease from 2004 because of a drought in several production regions.

CY 2005 total citrus exports are expected to increase by 3% despite reduced quality especially for oranges. At 1.08 million MT, the country's citrus export volume is forecast to stay near record highs. South Africa's citrus exports to the U.S. for CY 2005 are expected to reach about 10% of the total exports because of production from new black-spot - free areas, Warrenton and Hartswater in the Northern Cape.

In 2005, prices of oranges were generally lower. However, export revenue from the U.S. improved.

NOTE: The area planted figures fluctuate significantly because of data received from our industry sources. According to the industry, not all farmers adhere to annual submission of tree census report, which is mandatory for data accuracy. In 2004, increases in area as appearing on some commodity tables result from the improvement on the farmers' data submission last year.

South Africa's production and export data include output from Swaziland, with a total citrus production area of about 2,045 Ha (oranges = 880 Ha, lemons & limes = 96 Ha, grapefruit = 1,010 Ha) in 2004. Zimbabwe and Mozambique are also aggregated to the total production, mainly because the two areas are in close proximity to South Africa, which has advanced marketing infrastructures.

In the absence of 2005/6 industry estimates, averages are used.

Production

Background

South African citrus is grown in seven out of the nine provinces, namely the Western Cape, Eastern Cape, Limpopo, Mpumalanga, Kwa-Zulu Natal, Northern Cape, and the North West. Production areas and production units are indicated below:

Citrus Producing regions of South Africa in 2004		
REGION	LARGE PRODUCTION UNITS	PRODUCTION AREA (HA)
1. Western Cape	687	10,033
2. Eastern Cape	469	14,321
3. Limpopo	301	13,680
4. Mpumalanga	239	11,442
5. Kwa-Zulu Natal	93	4,139
6. Northern Cape	74	671
7. North West	12	36
TOTAL	1,875	54,322

Source: CGA

Production area per citrus variety per production region

Production Area per variety (in Ha)										
	2003					2004				
	Oranges		Soft citrus	Grape-fruit	Lemons & Limes	Oranges		Soft citrus	Grape-fruit	Lemons & Limes
	Valencia	Navels				Valencia	Navels			
E. Cape	4,089	5,461	1,913	189	2,455	9,368	1,114	199	1,975	652
KZN	1,134	637	61	1,677	377	4,957	2,300	395	2,815	468
Limpopo	9,223	1,064	207	1,798	622	4,026	5,600	1,860	304	2,437
Mpumalanga	5,276	2,419	429	2,913	469	2,260	3,845	2,798	17	953
N. West	5	4	7	0	20	1,150	799	66	1,675	371
N. Cape	75	333	45	4.6	8	147	423	67	5	30
W. Cape	2,187	3,696	2,639	16	946	0	0	7	0	20
Total	21,989	13,614	5,301	6,597.6	4,897	21,908	14,081	5,392	6,791	3,811

The table below highlights total new plantings per production region:

South Africa's new plantings per production region			
Region	2002	2003	2004
Eastern Cape	441,902	546,660	427,080
Kwazulu Natal	20,600	36,030	16,500
Limpopo	804,120	930,650	1,070,735
Mpumalanga	376,205	244,590	214,450
North West	121,350	101,100	86,990
Northern Cape	156,905	116,990	68,720
Western Cape	272,850	365,665	368,255
Total	2,193,932	2,341,685	2,252,730

Source: Citrus Research Institute

The citrus season extends from late February to early October, with exports of about one million tons. In 2002 there were 1,073 citrus exporters of oranges, lemons, grapefruit and easy peelers to about 60 global destinations.

The citrus industry employs about 60,000 people, and a further 40,000 people are employed in pack-houses. Also, a number of people are employed throughout the supply chain, in services like transport, port handling, shipping and allied services. In total, 2% of the country's population, which is about a million people, is dependent on the citrus industry.

South Africa's citrus industry has two entities, the Citrus Growers Association (CGA) and the Citrus South Africa (CSA). The CSA provide farmers with market information, while the CGA, established in 2001, handles market access and research issues for citrus growers regionally.

The citrus research, handled by the Citrus Research International, is funded by statutory levies.

Production Subcategory

South Africa's 2005 citrus production is expected to increase slightly (0.7%) from last year because of enough rain and normal temperatures in most citrus fruit growing areas. Most of the fruit producing regions started harvesting at the same time as last year, for Valencia oranges, lemons and grapefruit. Harvesting at Letsiele and Nkwadini grapefruit regions came two weeks earlier, while it came a week earlier for Navels around the Western

Cape, Sundays River and Nelspruit orange producing areas. Lemon harvest came early at Hoedspruit and 2-3 weeks later in Sundays River.

Grapefruit sizes are expected smaller than last year. The average orange and lemon fruit are bigger in size compared to last year.

South Africa, Republic of Oranges, Fresh							
	2003	Revised	2004	Estimate	2005	Forecast	UOM
	USDA Official [Old]	Post Estimate[New]	USDA Official [Old]	Post Estimate[New]	USDA Official [Old]	Post Estimate[New]	
Market Year Begin		01/2004		01/2005		01/2006	MM/YYYY
Area Planted	35998	35989	36000	36350	0	36700	(HECTARES)
Area Harvested	26500	26500	26670	26670	0	26800	(HECTARES)
Bearing Trees	11370	11370	11480	11480	0	11500	(1000 TREES)
Non-Bearing Trees	4070	4070	3960	3960	0	4000	(1000 TREES)
TOTAL No. Of Trees	15440	15440	15440	15440	0	15500	(1000 TREES)
Production	1113	1113	1120	1130	0	1140	(1000 MT)
Imports	8	8	10	10	0	10	(1000 MT)
TOTAL SUPPLY	1121	1121	1130	1140	0	1150	(1000 MT)
Exports	717	717	690	760	0	760	(1000 MT)
Fresh Dom. Consumption	177	177	220	170	0	170	(1000 MT)
Processing	227	227	220	210	0	220	(1000 MT)
TOTAL DISTRIBUTION	1121	1121	1130	1140	0	1150	(1000 MT)

South Africa, Republic of 65 Degrees Brix Orange Juice							
	2003	Revised	2004	Estimate	2005	Forecast	UOM
	USDA Official [Old]	Post Estimate[New]	USDA Official [Old]	Post Estimate[New]	USDA Official [Old]	Post Estimate[New]	
Market Year Begin		01/2004		01/2005		01/2006	MM/YYYY
Deliv. To Processors	227000	227000	220000	210000	0	220000	(MT)
Beginning Stocks	3257	3257	6003	6003	6003	6503	(MT)
Production	22930	22930	22200	22200	0	22500	(MT)
Imports	273	273	300	300	0	0	(MT)
TOTAL SUPPLY	26460	26460	28503	28503	6003	29003	(MT)
Exports	7457	7457	9500	9500	0	9500	(MT)
Domestic Consumption	13000	13000	13000	12500	0	12700	(MT)
Ending Stocks	6003	6003	6003	6503	0	6803	(MT)
TOTAL DISTRIBUTION	26460	26460	28503	28503	0	29003	(MT)

South Africa, Republic of Grapefruit, Fresh							
	2003	Revised	2004	Estimate	2005	Forecast	UOM
	USDA Official [Old]	Post Estimate[New]	USDA Official [Old]	Post Estimate[New]	USDA Official [Old]	Post Estimate[New]	
Market Year Begin		01/2004		01/2005		01/2006	MM/YYYY
Area Planted	6600	6791	6600	6900	0	6910	(HECTARES)
Area Harvested	3826	3826	3910	3910	0	3990	(HECTARES)
Bearing Trees	1534	1534	1570	1570	0	1600	(1000 TREES)
Non-Bearing Trees	1113	1113	1080	1080	0	1050	(1000 TREES)
TOTAL No. Of Trees	2647	2647	2650	2650	0	2650	(1000 TREES)
Production	264	264	270	250	0	260	(1000 MT)
Imports	2	2	2	2	0	2	(1000 MT)
TOTAL SUPPLY	266	266	272	252	0	262	(1000 MT)
Exports	217	217	220	200	0	210	(1000 MT)
Fresh Dom. Consumption	7	7	7	7	0	7	(1000 MT)

Processing	42	42	45	45	0	45	(1000 MT)
TOTAL DISTRIBUTION	266	266	272	252	0	262	(1000 MT)

South Africa, Republic of Lemons, Fresh							
	2003	Revised	2004	Estimate	2005	Forecast	UOM
	USDA Official [Old]	Post Estimate[New]	USDA Official [Old]	Post Estimate[New]	USDA Official [Old]	Post Estimate[New]	
Market Year Begin		01/2004		01/2005		01/2006	MM/YYYY
Area Planted	4930	3811	4950	3800	0	3800	(HECTARES)
Area Harvested	2610	2610	2670	2670	0	2670	(HECTARES)
Bearing Trees	1380	1380	1410	1410	0	1410	(1000 TREES)
Non-Bearing Trees	1220	1220	1200	1200	0	1200	(1000 TREES)
TOTAL No. Of Trees	2600	2600	2610	2610	0	2610	(1000 TREES)
Production	183	183	180	180	0	190	(1000 MT)
Imports	0	0	10	10	0	10	(1000 MT)
TOTAL SUPPLY	183	183	190	190	0	200	(1000 MT)
Exports	115	115	110	120	0	130	(1000 MT)
Fresh Dom. Consumption	20	20	20	20	0	20	(1000 MT)
Processing	48	48	60	50	0	50	(1000 MT)
TOTAL DISTRIBUTION	183	183	190	190	0	200	(1000 MT)

Consumption

Fresh fruit is sold locally to 19 fresh produce markets nationwide, in Johannesburg, Pretoria, Cape Town, Durban, Springs, Port Elizabeth, Pietermaritzburg, Klerksdorp, East London, Bloemfontein, Vereeniging, Welkom, Mpumalanga, Kimberely, Uitenhange, Polokwane, Witbank, Nelspruit, and Umtata.

Below is a table indicating the metric tons of citrus fruit sent to the domestic fresh produce markets and average prices received from February to June, 2005.

	February		March		April		May		June	
	MT	R/T	MT	R/T	MT	R/T	MT	R/T	MT	R/T
Oranges	876	1,226	2,440	1,731	8,821	1,435	16,646	1,194	26,475	904
Lemons	877	2,158	880	1,681	843	1,265	818	996	785	1,064

Source: NDA

Prices of Citrus sold in Local Fresh Produce Markets (US \$/MT)		
	2003	2004
Oranges	147	168
Lemons	245	281
Grapefruit	191	241
Naartjies	341	333
Other Soft citrus	235	271

Source: NDA

Trade

South Africa's citrus exports through special export programs are indicated in the table below. In 2004, 37,455 MT citrus were shipped to the U.S.

South Africa's Citrus Exports through Special Export Programs						
	2003 (MT)			2004 (MT)		
	Presented	Approved	Rejected	Presented	Approved	Rejected
Citrus to the US	81,451	76,914	4,537	41,505	37,455	4,050
Citrus to Japan	98,721	94,874	3,847	96,340	93,249	3,091
Citrus to Korea	6,334	4,461	1,873	6,943	6,488	455
Total special exports	186,506	176,249	10,257	144,788	137,192	7,596

Source: Citrus Growers Association

Citrus Fruit shipped to the U.S. in 2004 (MT)						
Navels	Clementines	Midnights	Minneolas	Mandarins	Lemons	Total
20,869	9,141	6,082	945	46	373	37,455

Source: CGA

Exports

CY 2005 total citrus exports are expected to increase by 3% despite reduced quality especially for oranges. At 1.08 million MT, the country's citrus export volume is forecast to stay near record highs. South Africa's citrus exports to the U.S. for CY 2005 are expected to reach about 10% of the total exports because of production from new black-spot-free areas, Warrenton and Hartswater in the Northern Cape.

Exports figures for South Africa and neighbouring countries are as follows:

EXPECTED EXPORTS FOR 2005 (IN MT)				
COUNTRY	Grapefruit	Lemons	Oranges	Clementines & Satsumas
South Africa	190,000	120,000	750,000	71,000
Mozambique	10,000	0	600	0
Swaziland/Zimbabwe	300	600	10000	0
Total	200,000	120,600	760,600	71,000
Other soft citrus Total	18,000			

According to the World Trade Atlas, total citrus exports amounted to 1.12 million MT in 2004, a slight increase from 1.11 million MT in 2003. South Africa's major destinations are detailed below:

ORANGES

In 2004, Netherlands remained the leading export destination for South Africa's oranges, with a total 121,443 MT, a 20% increase from the same period last year. Exports to Russia decreased by 34% and by 9% to the U.K., while it increased by 57% to Spain compared to 2003. Total orange exports reached 0.71 million MT, a slight decrease from 0.72 million MT last year.

LEMONS & LIMES

Exports of fresh lemons & limes reached a total 0.115 million MT in 2004 down from 0.131 million MT in 2003. Major export destinations in 2004 were Saudi Arabia (16% of the total), U. A. Emirates (12% of the total), the U.K. (9.5 % of the total), the Netherlands (8.6% of the total). The U.S. ranked 23rd in South Africa's major export destinations at a total 551 MT.

GRAPEFRUIT

South Africa's total fresh grapefruit exports in 2004 amounted to 0.21 million MT. Of the total, consignments destined to Japan (34%), followed by Netherlands (21%), Mozambique (9.3%) and the U.K. (5%). There were no recorded exports of grapefruit to the U.S.

In 2004, South Africa's citrus exports totaled 1.12 million MT. The total figures include 77,723 MT of soft citrus. Citrus exports were destined to the EU (44%); the Middle East (11.3%); the Far East (8.3%); Russia (7.3%); the US (2.2%); and to other areas (26.9%).

Trade Subcategory

South Africa, Republic of Oranges, Fresh			
Time Period	Jan-Dec	Units:	MT
Exports for:	2003		2004
U.S.	25,670	U.S.	24,077
Others		Others	
Netherlands	100,805	Netherlands	121,443
Russia	97,362	Russia	72,166
U.K.	68,502	U.K.	62,444
Saudi Arabia	57,529	Spain	60,651
Mozambique	55,645	Mozambique	49,900
Spain	38,630	Saudi Arabia	46,305
U.A.Emirates	37,675	Hong Kong	35,691
Hong Kong	37,050	Belgium	31,914
Belgium	35,811	U.A.Emirates	30,194
Italy	26,830	Italy	29,894
Total for Others	555839		540602
Others not Listed	174,941		152,780
Grand Total	756450		717459

South Africa, Republic of Oranges, Fresh			
Time Period	Jan-Dec	Units:	MT
Imports for:	2003		2004
U.S.	0	U.S.	0
Others		Others	
Zimbabwe	5,770	Zimbabwe	7,757
Spain	260	Israel	138
Canada	189	Zambia	30
Israel	132		
Swaziland	95		
Total for Others	6446		7925
Others not Listed	1		0
Grand Total	6447		7925

South Africa, Republic of Lemons, Fresh			
Time Period	Jan-Dec	Units:	MT
Exports for:	2003		2004
U.S.	1,101	U.S.	551
Others		Others	
Saudi Arabia	19,023	Saudi Arabia	18,536
Belgium	17,175	U.A.Emirates	14,062
U.K.	15,769	U.K.	10,986
U.A.Emirates	14,780	Netherlands	10,027
Japan	11,578	Hong Kong	9,852
Hong Kong	9,769	Japan	8,513
Russia	9,213	Italy	8,423
Italy	7,306	Belgium	5,361
Netherlands	5,892	Russia	4,139
Spain	4,320	Germany	3,859
Total for Others	114825		93758
Others not Listed	15,305		20,992
Grand Total	131231		115301

South Africa, Republic of Lemons, Fresh			
Time Period	Jan-Dec	Units:	MT
Imports for:	2003		2004
U.S.	0	U.S.	0
Others		Others	
Zimbabwe	17		0
Total for Others	17		0
Others not Listed	0		0
Grand Total	17		0

South Africa, Republic of Grapefruit, Fresh			
Time Period	Jan-Dec	Units:	MT
Exports for:	2003		2004
U.S.	416	U.S.	69
Others		Others	
Japan	64,896	Japan	73,896
Netherlands	37,961	Netherlands	45,847
U.K.	19,023	Mozambique	22,988
Italy	14,704	U.K.	20,389
Mozambique	11,624	Italy	10,955
Belgium	6,857	Belgium	10,904
Spain	3,953	Spain	5,994
Canada	3,711	Russia	5,622
France	3,545	France	5,282
Germany	3,399	Germany	3,651
Total for Others	169673		205528
Others not Listed	15,615		11,539
Grand Total	185704		217136

South Africa, Republic of Grapefruit, Fresh			
Time Period	Jan-Dec	Units:	MT
Imports for:	2003		2004
U.S.	0	U.S.	0
Others		Others	
Zimbabwe	1,985	Zimbabwe	1,935
Israel	441	Israel	428
Spain	44	Spain	42
Canada	45	Italy	40
Total for Others	2515		2445
Others not Listed	0		0
Grand Total	2515		2445

Policy

The National Department of Agriculture, and the PPECB, are developing a control plan to regulate South African business operators to adhere to 'from farm to fork' traceability system according to the principles of EU 882/2004, which is expected for analysis by SANCO by end of 2005.

Marketing

The National Department of Agriculture concluded a citrus protocol with China in 2004. Accreditation for exports to China is provided to about 96 orchards in the citrus production regions of the Western Cape (12), Northern Cape (9), Eastern Cape (13), Limpopo (61) and Mpumalanga (1). The approved inspection points will be the two ports in Durban, namely FPT and MFT.

Marketing Subcategory

The industry plans to focus on global competitiveness this year. Main issues to tackle will include quality, choices, barriers to trade, human capital, information and knowledge management, promotions, logistics and infrastructure, cost of doing business, economic stability and transport costs.